




**COUNCILMEMBER SCOTT PETERS
DISTRICT ONE**

MEMORANDUM

DATE: January 22, 2007
TO: Honorable Councilmembers
FROM: Council President Scott Peters 
SUBJECT: Budget Priorities for Fiscal Year 2008

The strategic budget prioritization process at the Budget Committee meeting on January 17, 2007 was an opportunity to discuss my budget priorities with my Council colleagues, and gave me a better understanding which services are most important to my fellow councilmembers.

The Mayor's Five-Year Budget outlines a difficult upcoming budget year. As the Council works with the Mayor to shape our budget priorities for Fiscal Year 2008, it is essential that we protect core services the City provides to our citizens. We must exercise fiscal restraint to develop long term solutions which erase projected deficits in the future.

I look forward to working with each of you, Mayor Sanders, IBA, City staff and the citizens of the City of San Diego to establish a foundation which restores fiscal integrity to our City.

My budget priorities are as follows:

- 1) Keep our communities safe: Offer competitive salary and benefits packages to police officers and fire fighters.
- 2) Protect priority services: Establish and maintain sustainable revenue source for City services such as trash collection and the maintenance of our water and wastewater systems. We have a duty to be responsible to the taxpayers by approaching funding and budgeting decisions in a way that is realistic but fair.
- 3) Fix our streets and environment: Fund Americans with Disabilities Act (ADA) projects, clean water initiatives and wastewater and stormwater runoff projects.
- 4) Save the City money: Engage in productive and positive discussions with employee groups to recover additional monies at the bargaining table, rather than seeking to reduce our liabilities through costly and unsuccessful lawsuits.

- 5) Reduce pension costs: Continue to pay down pension liabilities in a way that preserves the City's ability to deliver day-to-day neighborhood services.
- 6) Boost savings: Bring the City's Unallocated General Fund Reserves to a healthy ratio with best municipal practices.
- 7) Reduce healthcare costs: Work with employee unions to aggregate members in a reduced number of current employee and retirement healthcare plans. This can reduce administrative costs and the per-employee costs paid by the City and the employees. I invite labor groups to join us in a conversation about how to reduce health care costs for both the City and individual employees.
- 8) Bring more money home: Work with San Diego Assemblymembers, State Senators and our Congressional delegation in Washington to secure additional state and federal revenue for local infrastructure projects.
- 9) Maximize real estate assets: Review City leases and real estate holdings to determine how these properties can be used to the City's best advantage.

Finally, we must clarify Council and Mayoral authority over budget line items as part of this budget cycle. I look forward to working with Mayor Sanders, his staff and my Council colleagues to create a system that is transparent and responsible to taxpayers.

cc: Honorable Mayor Jerry Sanders
Honorable Attorney Mike Aguirre
Ronne Froman, Chief Operating Officer
Andrea Tevlin, Independent Budget Analyst
Jay Goldstone, Chief Financial Officer